

FISCAL NOTE

HB 2220 - SB 2315

March 30, 2007

SUMMARY OF BILL: Requires insurers to provide non-smoking and non-obese premium discounts to insureds.

ESTIMATED FISCAL IMPACT:

State Revenues – Net Impact – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in a net fiscal impact of not significant to health insurance premiums.

Assumptions:

- It is assumed that insurance companies that reduce the premiums for non-smokers and non-obese individuals will increase the premiums for smokers and obese individuals.
- There will be a not significant net impact on the premium tax revenues collected by the state. The amount of such impact is not quantifiable because the amount of premium discount is unknown.
- The state will contribute the same amount to state and local option health plan premiums such that the discount will be realized by the employee.
- Local governments will contribute the same amount to employee health plan premiums such that the discount will be realized by the employee.
- The CoverTN and AccessTN programs use smoking and obesity as determinants of the premium amount an enrollee is responsible for contributing.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director